

109TH CONGRESS
2D SESSION

H. R. 5594

To direct the Secretary of Energy to establish a photovoltaic demonstration program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 13, 2006

Mr. SMITH of Texas (for himself, Mr. UDALL of Colorado, Mr. WAMP, Mr. EHLERS, Mr. BOEHLERT, Mr. BROWN of Ohio, Mr. BACHUS, Mr. DOGGETT, Mr. SIMMONS, Mr. MCCAUL of Texas, Mr. BARTLETT of Maryland, Mr. CARDIN, Mr. BASS, Mr. HAYWORTH, and Mr. BUTTERFIELD) introduced the following bill; which was referred to the Committee on Science

A BILL

To direct the Secretary of Energy to establish a photovoltaic demonstration program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Solar Utilization Now
5 Demonstration Act of 2006” or the “SUN Act of 2006”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1 (1) Renewable energy is a growth industry
2 around the world. However, the United States has
3 not been investing as heavily as other countries, and
4 is losing market share.

5 (2) Since 1996, the United States has lost sig-
6 nificant market share in the solar industry, dropping
7 from 44 percent of the world market to 13 percent
8 in 2003.

9 (3) In 2003, Japan spent more than
10 \$200,000,000 on solar research, development, dem-
11 onstration, and commercial application and other in-
12 centives, and Germany provided more than
13 \$750,000,000 in low cost financing for solar photo-
14 voltaic projects. This compares to United States
15 Government spending of \$139,000,000 in 2003 for
16 research, development, demonstration, and commer-
17 cial application and other incentives.

18 (4) Germany and Japan each had domestic
19 photovoltaic industries that employed more than
20 10,000 people in 2003, while in the same year the
21 United States photovoltaics industry employed only
22 2,000 people.

23 (5) The United States is becoming increasingly
24 dependent on imported energy.

1 (6) The high cost of fossil fuels is hurting the
2 United States economy.

3 (7) Small reductions in peak demand can result
4 in very large reductions in price, according to energy
5 market experts.

6 (8) Although the United States has only 2 per-
7 cent of the world's oil reserves and 3 percent of the
8 world's natural gas reserves, our Nation's renewable
9 energy resources are vast and largely untapped.

10 (9) Renewable energy can reduce the demand
11 for imported energy, reducing costs and decreasing
12 the variability of energy prices.

13 (10) By using domestic renewable energy re-
14 sources, the United States can reduce the amount of
15 money sent into unstable regions of the world and
16 keep it in the United States.

17 (11) By supporting renewable energy research
18 and development, and funding demonstration and
19 commercial application programs for renewable en-
20 ergy, the United States can create an export indus-
21 try and improve the balance of trade.

22 (12) Renewable energy can significantly reduce
23 the environmental impacts of energy production.

1 **SEC. 3. PHOTOVOLTAIC DEMONSTRATION PROGRAM.**

2 (a) IN GENERAL.—The Secretary of Energy (in this
3 Act referred to as the “Secretary”) shall establish a pro-
4 gram of grants to States to demonstrate advanced photo-
5 voltaic technology.

6 (b) REQUIREMENTS.—

7 (1) ABILITY TO MEET REQUIREMENTS.—To re-
8 ceive funding under the program under this section,
9 a State must submit a proposal that demonstrates,
10 to the satisfaction of the Secretary, that the State
11 will meet the requirements of subsection (f).

12 (2) COMPLIANCE WITH REQUIREMENTS.—If a
13 State has received funding under this section for the
14 preceding year, the State must demonstrate, to the
15 satisfaction of the Secretary, that it complied with
16 the requirements of subsection (f) in carrying out
17 the program during that preceding year, and that it
18 will do so in the future, before it can receive further
19 funding under this section.

20 (3) FUNDING ALLOCATION.—Except as pro-
21 vided in subsection (c), each State submitting a
22 qualifying proposal shall receive funding under the
23 program based on the proportion of United States
24 population in the State according to the 2000 cen-
25 sus. In each fiscal year, the portion of funds attrib-
26 utable under this paragraph to States that have not

1 submitted qualifying proposals in the time and man-
2 ner specified by the Secretary shall be distributed
3 pro rata to the States that have submitted qualifying
4 proposals in the specified time and manner.

5 (c) COMPETITION.—If more than \$80,000,000 is
6 available for the program under this section for any fiscal
7 year, the Secretary shall allocate 75 percent of the total
8 amount of funds available according to subsection (b)(3),
9 and shall award the remaining 25 percent on a competitive
10 basis to the States with the proposals the Secretary con-
11 siders most likely to encourage the widespread adoption
12 of photovoltaic technologies.

13 (d) PROPOSALS.—Not later than 6 months after the
14 date of enactment of this Act, and in each subsequent fis-
15 cal year for the life of the program, the Secretary shall
16 solicit proposals from the States to participate in the pro-
17 gram under this section.

18 (e) COMPETITIVE CRITERIA.—In awarding funds in
19 a competitive allocation under subsection (c), the Sec-
20 retary shall consider—

21 (1) the likelihood of a proposal to encourage the
22 demonstration of, or lower the costs of, advanced
23 photovoltaic technologies; and

24 (2) the extent to which a proposal is likely to—

1 (A) maximize the amount of photovoltaics
2 demonstrated;

3 (B) maximize the proportion of non-Fed-
4 eral cost share; and

5 (C) limit State administrative costs.

6 (f) STATE PROGRAM.—A program operated by a
7 State with funding under this section shall provide com-
8 petitive awards for the demonstration of advanced photo-
9 voltaic technologies. Each State program shall—

10 (1) require a contribution of at least 60 percent
11 per award from non-Federal sources, which may in-
12 clude any combination of State, local, and private
13 funds, except that at least 10 percent of the funding
14 must be supplied by the State;

15 (2) limit awards for any single project to a
16 maximum of \$1,000,000;

17 (3) prohibit any nongovernmental recipient
18 from receiving more than \$1,000,000 per year;

19 (4) endeavor to fund recipients in the commer-
20 cial, industrial, institutional, governmental, and resi-
21 dential sectors;

22 (5) limit State administrative costs to no more
23 than 10 percent of the grant;

24 (6) report annually to the Secretary on—

25 (A) the amount of funds disbursed;

1 (B) the amount of photovoltaics purchased;
2 and

3 (C) the results of the monitoring under
4 paragraph (7);

5 (7) provide for measurement and verification of
6 the output of a representative sample of the
7 photovoltaics systems demonstrated throughout the
8 average working life of the systems, or at least 20
9 years; and

10 (8) require that applicant buildings must have
11 received an independent energy efficiency audit dur-
12 ing the 6-month period preceding the filing of the
13 application.

14 (g) UNEXPENDED FUNDS.—If a State fails to expend
15 any funds received under subsection (b) or (c) within 3
16 years of receipt, such remaining funds shall be returned
17 to the Treasury.

18 (h) REPORTS.—The Secretary shall report to Con-
19 gress 5 years after funds are first distributed to the States
20 under this section—

21 (1) the amount of photovoltaics demonstrated;

22 (2) the number of projects undertaken;

23 (3) the administrative costs of the program;

1 (4) the amount of funds that each State has
2 not received because of a failure to submit a quali-
3 fying proposal, as described in subsection (b)(3);

4 (5) the results of the monitoring under sub-
5 section (f)(7); and

6 (6) the total amount of funds distributed, in-
7 cluding a breakdown by State.

8 (i) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated to the Secretary for the
10 purposes of carrying out this section—

11 (1) \$50,000,000 for fiscal year 2007;

12 (2) \$100,000,000 for fiscal year 2008;

13 (3) \$150,000,000 for fiscal year 2009;

14 (4) \$200,000,000 for fiscal year 2010; and

15 (5) \$300,000,000 for fiscal year 2011.

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